

m/023/011

April 27, 2000

State of Utah  
Dept. of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

Dear D-Wayne Hedberg:

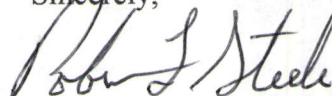
This letter is in reference to the Finding of Non-Compliance items in your letter dated March 22, 2000:

- Item #6      The ownership has not changed to the South from the date the mine plan was issued, until now. The Division of Wildlife Resources still owns the land to the South.
- Item#1      Is not applicable. I am not ready to reclaim the mine site and the mine plan has not been changed since the plan was issued.
- Item#2      Is not applicable either, when we reclaim the roads and pads we will send you the required maps.
- Item#3      We are not requesting an inspection.
- Item#5      We have updated our surety bond from \$12,000.00 to \$36,000.00 as you requested, although it seems more that adequate, we have not objected to it.
- Item#4      At this time, the permit transfer from Thomas J. Peck and Sons to Robert L. Steele and Tony Peck is underway.

I hope this letter answers all of your requests.

If you or any of your reclamation personnel would like to come to Nephi for and inspection, I would be glad to meet with them and escort them on the property.

Sincerely,



Robert L. Steele

RLS:ss

**RECEIVED**

MAY 01 2000

DIVISION OF  
OIL, GAS AND MINING